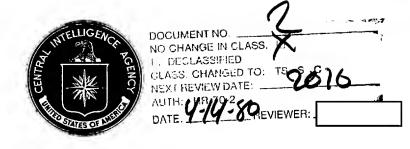
16 March 1959

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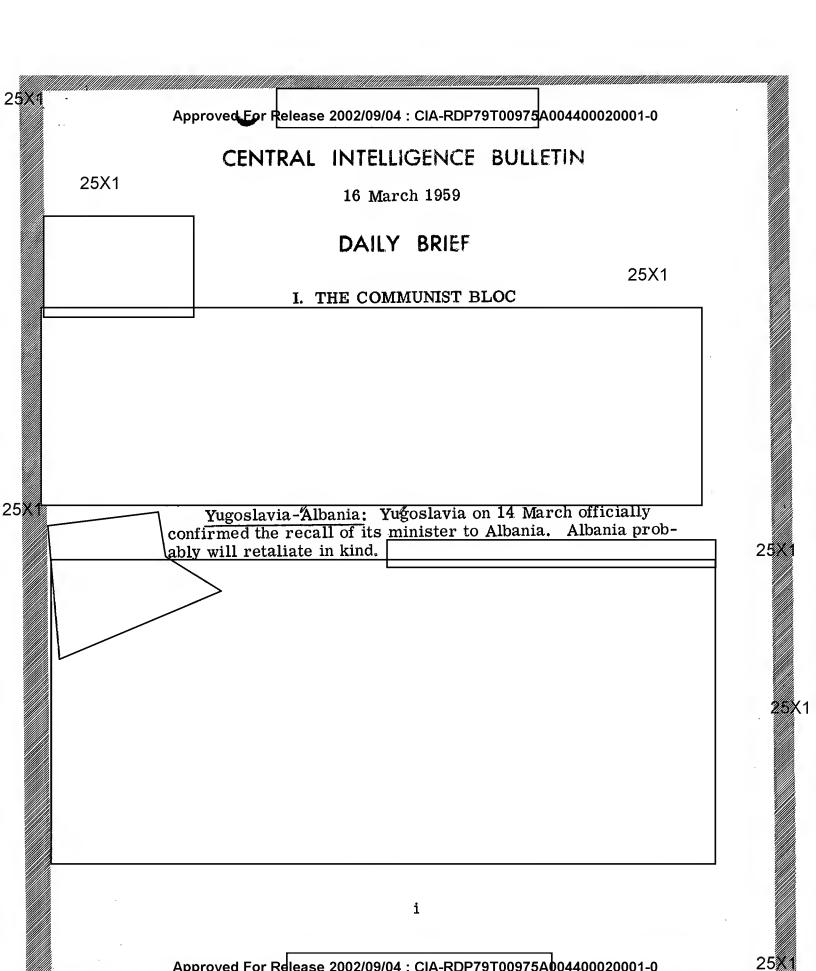
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Approved For Release 2002/09/04 : CIA-RDP79T00975A004400020001-0

Approved For Release 2002/09/04: CIA-RDP79T00975A004400020001-0 Yemen: The Imam of Yemen has indicated willingness to accept certain American economic aid projects which were re-25**%** 25 💥 jected last year as the result of the influence of pro-Soviet Crown Prince Badr. Programs specifically mentioned included road and airfield construction and provision of agricultural experts. At NO least 350 Sino-Soviet bloc personnel now are in Yemen in connect 25% tion with bloc military and economic aid. The Imam's present willingness to receive American aid may reflect concern on his part over reports of plotting to overthrow the monarchy. A major factor, however, is his desire to establish a better balance in Yemen's relations with the bloc and the West. 25 💥 25 💥 25 💥 Laos: (Laos is reluctant to take the initiative in ending the French monopoly on military training by calling on the United States for training personnel. The cabinet, preoccupied during the past several weeks by factional disputes, is now divided on The Laotian authorities do not want to offend the this issue. French. Their equivocation on this issue may also reflect concern over the more strident tone Peiping interjected into its intensive propaganda last week when it charged that Laos had aided remnant Chinese Nationalist troops in forays into China 25 25 💥 16 Mar 59 DAILY BRIEF ii

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III. THE WEST

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Bolivia: Armed violence may break out in Bolivia as a result of the tin miners' dissatisfaction with the government's decree of 13 March related to wages and commissary prices. The decree is opposed by the national labor organization, whose members form a powerful civilian militia. It has called a general strike alert for the evening of 16 March. The government probably can count on the weak regular armed forces and some factions of the civilian militia, but the US charge in La Paz believes that the outcome of a showdown is doubtful. He adds that recent consultations between the Czech charge and Bolivian congressional leaders could foreshadow a financial aid offer from the Soviet bloc.

16 Mar 59

DAILY BRIEF

iii

I. THE COMMUNIST BLOC

Yugoslavia "Freezes" Relations With Albania

Yugoslavia on 14 March officially announced the withdrawal of its minister to Albania and his appointment to the Foreign Ministry in Belgrade. Belgrade's initiative was foreshadowed in Tito's speeches on 6 and 7 March against the bloc, when he made it clear he would give blow for blow in reply to future attacks against Yugoslavia. Although Belgrade desires to avoid initiating a break in relations, its motivation appears to be to make all attacks on Yugoslavia as unrewarding as possible in the belief that Moscow also probably does not desire to initiate a break.

Tirana's relations with Belgrade generally have been the worst of any of the satellites, and the Albanians are certain to retaliate in kind and may suspend relations by withdrawing their entire diplomatic force from Belgrade. While this tactic was used by a number of satellites in the 1948 dispute with Yugoslavia, a similar "freeze" in Belgrade's relations with Peiping last summer was not followed by such action from other bloc members.

Belgrade's relations with Tirana have often been a bell-wether of its relations with the rest of the bloc, and the present developments may forecast an intensification of Yugoslavia's dispute with the bloc. Neither Moscow nor Belgrade seems willing, however, to shoulder the blame for a break in diplomatic relations because of the resulting damage to its international position.

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Yemen Seeks Additional American Economic Aid

Yemen's Deputy Foreign Minister Al-Amri has told Ambassador Hare that the Imam of Yemen is now willing to accept some American economic aid projects which had been rejected last year under the influence of pro-Soviet Crown Prince Badr. Projects in which the Yemenis were specifically interested include construction of a modern road to link the northern and southern capitals of Sana and Taiz, and provision of agricultural experts. The Imam also reportedly suggested that the United States undertake to construct modern airfields at Sana, Taiz, and Hodeida, rather than to make an aerial survey of Yemen as earlier proposed.

At least 350 Sino-Soviet bloc personnel, mostly Chinese Communists, are now in Yemen in connection with bloc military and economic aid. In addition to providing about \$30,000,000 worth of military aid, including piston aircraft, the bloc is engaged in port- and road-construction work, and development of small consumer-goods factories.

The Imam's motive in seeking the new American aid may reflect satisfaction with the recent prompt and effective response to his request for relief grain deliveries. He may also be more anxious than before to cultivate American support in view of the widespread reports of antiregime plotting in Yemen.

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16 Mar 59 CENTRAL INTELLIGENCE BULLETIN Page 4

Laos Equivocates on Requesting American Military

Training Personnel

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The Laotian Government is reluctant to take any initiative to bring American military training personnel into Laos to supplement the efforts of the inadequate French military training mission. France has made it clear it wishes to maintain its monopoly over Laotian Army training, and the Laotian Government is equivocating in informing France that it wants American personnel to supplement the 80 additional men France has offered to send. The cabinet, which has been almost paralyzed for the past several weeks by bitter factional disputes, is reported divided on the issue.

Top Laotian staff officers have been disturbed over the decline in the Laotian Army's capabilities which they attribute to the performance of the French mission and are not satisfied with France's recent offer to send additional men. The Laotian foreign minister has indicated that Laos' hesitancy stems from deference to France's sensitivity over its exclusive position, a marked switch in view of the cabinet's 21 February decision to terminate the French mission, a decision later reversed on American advice.

Laos' position may reflect its concern over Communist propaganda charges that Laos is becoming an American military base. These charges took on a more strident tone last week when Peiping accused Laos of aiding remnant Chinese Nationalist troops in forays into China.

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16 Mar 59 CENTRAL INTELLIGENCE BULLETIN Page 5

III. THE WEST

Armed Violence Threatens in Bolivia

Armed violence may break out in Bolivia as a result of the government's wage decree of 13 March for tin miners which had been insisted on by the International Monetary Fund as a prerequisite for continuing financial aid. The US charge in La Paz notes that recent consultations between the Czech charge and Bolivian congressional leaders could foreshadow a financial aid offer from the Soviet bloc, which would be very difficult for the Bolivian Government to refuse under present circumstances.

The miners' wage decree is opposed by the national labor organization, which has called a general strike for the evening of 16 March and whose members form a powerful civilian militia. The Siles government probably has the support of the weak regular armed forces and some factions of the civilian militia. Siles apparently sought to increase his support from armed civilians by appointing Indian leader José Rojas to the cabinet on 13 March. The US chargé in La Paz was recently told that President Siles is extremely nervous. On the one hand, he threatens to resign and turn the government over to the labor leaders if they continue their defiance, and on the other hand, he insists he will impose government authority at any price. The chargé believes the outcome of a showdown is doubtful.

The evacuation of nonessential Americans from La Paz has begun. The rightist opposition party may join the miners' militia if it attacks the US Embassy in retaliation for supporting the International Monetary Fund on the wage question.

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Executive Offices of the White House

Special Assistant for National Security Affairs

Scientific Adviser to the President

Director of the Budget

Office of Defense and Civilian Mobilization

Special Assistant for Security Operations Coordination

Board of Consultants on Foreign Intelligence Activities

Special Assistant for Foreign Economic Policy

Executive Secretary, National Security Council

The Treasury Department

The Secretary of the Treasury

The Department of State

The Secretary of State

The Under Secretary of State

The Under Secretary of State for Economic Affairs

The Deputy Under Secretary for Political Affairs

The Deputy Under Secretary for Administration

The Counselor

Director, International Cooperation Administration

The Director of Intelligence and Research

The Department of Defense

The Secretary of Defense

The Deputy Secretary of Defense

Assistant Secretary of Defense for International Security Affairs

The Secretary of the Army

The Secretary of the Navy

The Secretary of the Air Force

The Chairman, The Joint Chiefs of Staff

Commandant, United States Marine Corps

The Director, The Joint Staff

Chief of Staff, United States Army

Chief of Naval Operations, United States Navy

Chief of Staff, United States Air Force

Assistant to Secretary of Defense for Special Operations

Director for Intelligence, The Joint Staff

Assistant Chief of Staff for Intelligence, Department of the Army

Director of Naval Intelligence, Department of the Navy

Assistant Chief of Staff, Intelligence, Department of the Air Force

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Commander in Chief, Pacific

The Department of the Interior

The Secretary of the Interior

The Department of Commerce

The Secretary of Commerce

Federal Bureau of Investigation

The Director

Atomic Energy Commission

The Chairman

National Security Agency

The Director

National Indications Center

The Director

United States Information Agency

The Director

